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eagan Reportedly Studies Special Taiwan Envo

By KEYES BEECH, Times Staff Writer.

BANGKOK, Tailand-The possible appointment of a special pres- wan Relations Act, which estabidential envoy to Taiwan, a step e lishes a U.S. "institute" to be staffed certain to provoke a strong protest , by personnel who must resign from from Peking, is being studied by President-elect Ronald Reagan, diplomatic sources said Monday.

Ray S. Cline, a close adviser to the President-elect on China policy, confirmed Sunday before leaving for Malasia that he had recommended such an appointment to Reagan as a way to upgrade U.S. relations with Taiwan. 🞺 🤾

Cline, who was here as a guest of the Thai government, will also visit Singapore and then Taiwan, where he will meet President Chiang Ching-kuo, before returning to the United States.

In Washington, Richard V. Allen, Reagan's long-time foreign policy adviser, said that he knows nothing of a planned upgrading of the U.S. representation on Taiwan.

(Allen said Reagan's "definitive" statement on relations with China was issued Aug. 25 after the return of his running mate, George Bush, from a trip to Peking. At that time,

Reagan pledged to enforce the Taithe Foreign Service for the duration of their time in Taipei. He said then that the act "provides an official and . adequate basis" for the U.S. relationship with Taiwan.)

Must Be Influential

Whoever gets the proposed Taiwan job would have to be someone with influence, Cline said. However he would not necessarily have a diplomatic passport but instead would serve as the President's personal representative, Cline said.

China-watchers based in Hong King are apprehensive that any such attempt by Reagan to elevate Taiwan's status would disrupt U.S. Chinese relations.

"Make no mistake about it," a Hong Kong government official said last week, "the Chinese are going to react very strongly if Reagan goes ahead with this."

The new presidential envoy, Cline said, would not displace the ine said, would not displace the sales to Taiwan.

American Institute in Taiwan, which was created by Congress toact as an unofficial embassy after the United States broke diplomatic. relations with Taiwan in January, . 1979.

However, he said, the special enby would outrank the head of the institute, whose present director is veteran career diplomat Charles T. Cross.

Cline, a forceful and articulate advocate of Taiwan, was deputy director for intelligence of the CIA: until he became head of the Georgetown University Institute of Strategic and International Studies in Washington, A career CIA officer, he served as CIA station chief; in Taiwan from 1958 through 1962 and is now a member of the Reagan CIA transition team.

Peking protested vigorously a few months ago when the United States and Taiwan granted each other's representatives what amounted to diplomatic status. More recently, Peking has warned that it cannot countenance more U.S. arms